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Community Planning
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HOUSING ELEMENT AND FAIR SHARE PLAN

BOROUGH OF UPPER SADDLE RIVER BERGEN COUNTY, NEW JERSEY

PREPARED FOR:

**BOROUGH OF UPPER SADDLE RIVER PLANNING BOARD
BA# 2088.02**

October 31, 2008

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BERGEN COUNTY, NEW JERSEY**

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The original document was appropriately signed and sealed on October 31, 2008 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.

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INTRODUCTION

In 1975 the New Jersey Supreme Court decided, in So. Burlington Cty. NAACP v. Borough of Mount Laurel, that every developing municipality in New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent decision in 1983, the Court acknowledged that the vast majority of municipalities in the State had ignored their constitutional obligation and called for the State Legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. The result was the establishment of the New Jersey Council on Affordable Housing (COAH), the State agency responsible for overseeing the manner in which municipalities address their low- and moderate-income housing needs.

COAH initially adopted a “fair share” methodology to determine the State’s low and moderate income housing needs in 1986. Their adopted combined first and second round housing-need numbers for Upper Saddle River, published in 1994, called for the Borough to provide a total of 206 affordable housing units, consisting entirely of a new construction obligation, between the years 1987 and 1999. This number was ultimately reduced to 107 units through a vacant land adjustment.

In December 2004, COAH adopted new substantive (N.J.A.C. 5:94) and procedural (N.J.A.C. 5:95) rules for the period beginning December 20, 2004. At the same time, COAH re-adjusted all municipal first and second round housing-need new construction numbers and rehabilitation numbers. Upper Saddle River’s previously published 206 unit new-construction obligation was reduced to 166 units, while the Borough’s rehabilitation component was held constant at zero units.

As a result of an Appellate Division ruling, COAH’s substantive and procedural rules were revised again on June 2, 2008 (now N.J.A.C. 5:97 and N.J.A.C. 5:96, respectively). Thus, COAH re-adjusted all municipal first and second round housing-need new construction numbers and rehabilitation numbers. Upper Saddle River’s obligation for the second-round reverted back to a 206 unit new construction obligation, while the rehabilitation obligation was held constant at zero units. Because the Borough received a vacant land adjustment as part of its second round certified plan, the adjustments to the overall obligation do not affect the 107 unit realistic development potential (RDP) established in the prior round.

These new third round rules also implement a new “growth share” approach to affordable housing and thus represent a significant departure from the Council’s first and second round rules in that the new rules link the production of affordable housing with actual development and projected growth within the community. There are three components to the third round methodology. They include: 1) the rehabilitation share; 2) any remaining prior round obligation for the period 1987-1999; and 3) the growth share. Growth share is generated by projections of residential and non-residential growth for the period covering January 1, 2004 to January 1, 2018. The new substantive rules state that for every four market-rate residential units projected to be constructed, the municipality shall be obligated to provide one unit that is affordable to households of low or moderate income. In addition, each municipality is obligated to provide one affordable unit for every 16 newly created jobs.

COAH's June 2008 projected estimates of need indicate that Upper Saddle River has a 272 unit Third Round affordable housing obligation, inclusive of the 206 unit Prior Round component noted above and a 66 unit Growth Share component that is a function of projected residential and non-residential growth. COAH estimates that by 2018 the Borough will have an additional 235 dwellings in the community, which translates to 47 units of affordable housing, and 309 additional jobs, which translates to 19 units of affordable housing. Given recent data on growth and the limited availability of buildable vacant land, we take exception to their growth estimates, and offer a more realistic assessment of the Borough's development potential.

We have undertaken a vacant land and environmental constraints analysis to determine the realistic development potential of the Borough. The COAH vacant land analysis contends there are 330 acres of vacant land, which is far in excess of what is actually vacant and buildable. After removing from consideration environmentally constrained land area and parcels COAH considered vacant that are developed, the potential developable vacant land in Upper Saddle River amounts to 9.45 acres. As indicated on the attached maps, environmental constraints such as wetlands, flood hazard areas and buffers limit the development potential of many of the vacant sites in the Borough.

This document is designed to address the Borough of Upper Saddle River's housing obligation, inclusive of a determination of the community's third round obligation and the plan to achieve this obligation. It has been prepared pursuant to the provisions of the Municipal Land Use Law (MLUL) and the applicable regulations of the Council on Affordable Housing governing the provision of affordable housing within the community for the period between 1987 and 2018.

In addition, we have reviewed information regarding COs issued, demolition permits and other development activity. Since 2004, there have been more demolitions of residential units than COs issued, an indication that residential development is generally limited to teardowns and reconstruction, a one-for-one swap. Non-residential development potential is limited to a small number of lots along New Jersey State Highway Route 17, all of which are constrained by limited sewer gallonage capacity. Based on the Borough's realistic development potential that is cited in this report, the Borough's Third Round new construction obligation is 18 units. In addition, the Borough must address the 29 units remaining from its Prior Round obligation. The Borough growth projection through 2011 is **six units**. It is this obligation that is addressed in the Plan in this report; per COAH regulations, in 2011 the Housing Plan at that time based on the growth that will have occurred by then.

An assessment will be made of the remaining Third Round obligation and remaining development potential of the Borough. The Borough is planning to address its obligation through the development of a 100 percent affordable development on Borough owned land along Crescent Avenue. A **20 unit** rental development along with the 15 bonus rental credits generated addresses both the remaining Prior Round obligation and the six unit Third Round new construction obligation, that we project must be addressed by 2011.

This document provides the background data as required by COAH, and comments about the Prior Round obligation and Third Round issues. This Housing Element and Fair Share Plan also address the Municipal Land Use Law (MLUL) requirement of providing a housing element within the Master Plan.

SECTION I: HOUSING ELEMENT

A. COMMUNITY OVERVIEW

The Borough of Upper Saddle River occupies an area of 5.26 square miles (3,366 acres) in the northern portion of Bergen County. Bordering Rockland County, New York to the north, Upper Saddle River adjoins Montvale and Woodcliff Lake to the east, Saddle River to the south, and Ramsey and Mahwah to the west.

Upper Saddle River is a predominantly residential community, with a development pattern consisting primarily of detached single-family dwellings and a small portion of multi-family residential development. Commercial and industrial development account for approximately 7 percent of the Borough's land use, concentrated along the Route 17 corridor in the southwest portion of the Borough. There is 181 acres dedicated to public and semi-public uses, approximately 80 acres of which are designated for open space/recreation.

B. INVENTORY OF MUNICIPAL HOUSING STOCK

This section of the Housing Element provides an inventory of the Borough's housing stock, as required by the Municipal Land Use Law. The inventory details housing characteristics such as age, condition, purchase/rental value, and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated.

1. Number of Dwelling Units. As shown in the table below, the Borough's housing stock has grown each decade since 1960. The most substantial growth occurred between 1960 and 1970, when the number of dwelling units increased by nearly 100 percent. Growth has slowed considerably in subsequent decades. The State estimates that Upper Saddle River contains 2,641 dwelling units as of May 2008.

Table 1: Dwelling Units (1960 to 2008 YTD)
Upper Saddle River, New Jersey

| Year | Dwelling Units | Net Change (#) | Change (%) |
|-------|----------------|----------------|------------|
| 1960 | 1,029 | -- | -- |
| 1970 | 2,050 | 1,021 | 99.2 |
| 1980 | 2,330 | 280 | 13.7 |
| 1990 | 2,410 | 80 | 3.4 |
| 2000 | 2,560 | 150 | 6.2 |
| 2008* | 2,641 | 81 | 3.2 |

* Through May

Sources: U.S. Census; NJ Department of Community Affairs (DCA),
The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>

The following table provides additional detail regarding the tenure and occupancy of the Borough's housing stock. As shown below, more than 90 percent of the Borough's housing stock was owner-occupied in 2000. There were only 63 vacant units in 2000, representing approximately 2.5 percent of the community's housing stock.

Table 2: Housing Units by Tenure and Occupancy Status (1990 and 2000)
Upper Saddle River, New Jersey

| Category | 1990 | | 2000 | |
|-----------------------|--------------|------------|--------------|------------|
| | No. Units | Percent | No. Units | Percent |
| Owner-Occupied Units | 2,224 | 92.3 | 2,415 | 94.3 |
| Renter-Occupied Units | 100 | 4.1 | 82 | 3.2 |
| Vacant Units | 86 | 3.6 | 63 | 2.5 |
| Total Units | 2,410 | 100 | 2,560 | 100 |

Source: U.S. Census, 1990 & 2000

2. Housing Characteristics. The following tables provide additional information on the characteristics of the Borough's housing stock, including data on the number of units in the structure and the number of bedrooms. As shown below, the housing stock is predominantly characterized by single-family detached units which represent over 97 percent of all dwelling units. Two-family dwellings represent the next highest category, at 1.1 percent.

Table 3: Units in Structure (1990 and 2000) - Upper Saddle River, New Jersey

| Units in Structure | 1990 | | 2000 | |
|--------------------|--------------|------------|--------------|------------|
| | Number | Percent | Number | Percent |
| One Unit Detached | 2,392 | 99.3 | 2,493 | 97.4 |
| One Unit Attached | 0 | 0 | 8 | 0.3 |
| 2 Units | 18 | 0.7 | 29 | 1.1 |
| 3 to 4 Units | 0 | 0 | 15 | 0.6 |
| 5 to 9 Units | 0 | 0 | 8 | 0.3 |
| 10 or More Units | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 7 | 0.3 |
| Total | 2,410 | 100 | 2,560 | 100 |

Source: U.S. Census, 1990 & 2000

Table 4: Number of Bedrooms in Housing Units (2000) - Upper Saddle River, New Jersey

| Bedrooms | Number | Percent |
|--------------|--------------|------------|
| Zero | 0 | 0 |
| One | 8 | 0.3 |
| Two | 88 | 3.4 |
| Three | 643 | 25.1 |
| Four | 1,090 | 42.6 |
| Five or More | 731 | 28.6 |
| Total | 2,560 | 100 |

Source: U.S. Census, 2000

3. Housing Age. The following table details the age of the Borough's housing stock. As shown, the majority (more than 75 percent) of the Borough's housing units were constructed between 1950 and 1980. Since 1980 there has been a gradual decline in new home construction, which has averaged seven percent in the past two decades. The median age of the Borough's housing stock is 41 years.

Table 5: Year Structure Built - Upper Saddle River, New Jersey

| Year Units Built | Number of Units | Percent |
|-------------------------|------------------------|----------------|
| 1999 to March 2000 | 33 | 1.3 |
| 1990 to 1998 | 178 | 7.0 |
| 1980 to 1989 | 198 | 7.7 |
| 1970 to 1979 | 415 | 16.2 |
| 1960 to 1969 | 980 | 38.3 |
| 1950 to 1959 | 584 | 22.8 |
| 1940 to 1949 | 33 | 1.3 |
| 1939 or earlier | 139 | 5.4 |
| Total | 2,560 | 100 |

Source: U.S. Census, 2000

4. Housing Conditions. An inventory of the Borough's housing conditions is presented in the following tables. The first table identifies the extent of overcrowding in the Borough, defined as housing units with more than one occupant per room. The data indicates that, in 2000, none of the Borough's occupied housing units were considered overcrowded.

Table 6: Occupants Per Room (2000) - Upper Saddle River, New Jersey

| Occupants Per Room | Number of Units | Percent |
|---------------------------|------------------------|----------------|
| 1.00 or less | 2,497 | 100 |
| 1.01 to 1.50 | 0 | 0 |
| 1.51 or more | 0 | 0 |
| Total | 2,497 | 100 |

Source: U.S. Census, 2000

The table below presents other key characteristics of housing conditions, including the presence of complete plumbing and kitchen facilities and the type of heating equipment used. As shown, 14 units lack complete kitchen facilities in 2000 while all units have complete plumbing facilities and utilize standard heating facilities.

Table 7: Equipment and Plumbing Facilities (2000)
Upper Saddle River, New Jersey

| Facilities | Number | Percent |
|-----------------------------|---------------|----------------|
| <u>Kitchen:</u> | | |
| Lacking Complete Facilities | 14 | 0.6 |
| With Complete Facilities | 2,546 | 99.4 |
| <u>Plumbing:</u> | | |
| Lacking Complete Facilities | 0 | 0 |
| With Complete Facilities | 2,560 | 100 |
| <u>Heating Equipment:</u> | | |
| Standard Heating Facilities | 2,497 | 100 |
| Other Means, No Fuel Used | 0 | 0 |

Source: U.S. Census, 1990 & 2000

5. Purchase and Rental Values. As shown in the following tables, the Borough has seen a rise in both rental rates and purchase prices for housing between 1990 and 2000. This reflects general regional increases in housing costs. As shown in Table 8, the median gross rent for the Borough's rental housing stock increased by nearly 93 percent between 1990 and 2000, from \$1,001 to \$1,929.

Table 8: Gross Rent of Renter-Occupied Housing Units (1990 and 2000)
Upper Saddle River, New Jersey

| Value Range | 1990 | | 2000 | |
|--------------------|----------------|----------------|----------------|----------------|
| | Number | Percent | Number | Percent |
| Less than \$300 | 8 | 8.7 | 0 | 0 |
| \$300 to \$399 | 0 | 0 | 0 | 0 |
| \$400 to \$499 | 0 | 0 | 0 | 0 |
| \$500 to \$599 | 0 | 0 | 0 | 0 |
| \$600 to \$699 | 0 | 0 | 0 | 0 |
| \$700 to \$749 | 8 | 8.7 | 0 | 0 |
| \$750 to \$999 | 17 | 18.5 | 13 | 15.9 |
| \$1,000 or more | 59 | 64.1 | 69 | 84.1 |
| No Cash Rent | 0 | 0 | 0 | 0 |
| Total | 92 | 100 | 82 | 100 |
| Median Rent | \$1,001 | | \$1,929 | |

Source: U.S. Census, 1990 & 2000

Table 9 shows that the median value of owner-occupied housing units increased by 30 percent between 1990 and 2000, from \$466,700 to \$603,900. The overall region has seen a marked increase in housing values since the publication of the 2000 Census.

Table 9: Value of Owner-Occupied Housing Units (1990 and 2000)
Upper Saddle River, New Jersey

| Value Range | 1990 | | 2000 | |
|------------------------|------------------|------------|------------------|------------|
| | Units | % | Units | % |
| Less than \$50,000 | 11 | 0.5 | 11 | 0.4 |
| \$50,000 to \$99,999 | 0 | 0 | 0 | 0 |
| \$100,000 to \$149,999 | 0 | 0 | 8 | 0.3 |
| \$150,000 to \$199,999 | 20 | 1.0 | 15 | 0.7 |
| \$200,000 to \$249,999 | 24 | 1.2 | 18 | 0.8 |
| \$250,000 to \$299,999 | 84 | 4.0 | 88 | 3.8 |
| \$300,000 to \$399,999 | 511 | 24.6 | 189 | 8.2 |
| \$400,000 to \$499,999 | 584 | 28.1 | 450 | 19.4 |
| \$500,000 or more | 845 | 40.6 | 1,538 | 66.4 |
| Total | 2,079 | 100 | 2,317 | 100 |
| Median Value | \$466,700 | | \$603,900 | |

Source: U.S. Census, 1990 & 2000

6. Number of Units Affordable to Low- and Moderate-Income Households. Based on the most current COAH regional income limits, the median household income for a three-person household in COAH Region 1, Upper Saddle River's housing region comprised of Bergen, Hudson, Passaic and Sussex Counties, is \$69,365. A three-person moderate-income household, established at no more than 80 percent of the median income, would have an income not exceeding \$55,492.

An affordable sales price for a three person moderate-income household earning 80 percent of the median income is estimated at approximately \$150,000. This estimate is based on the UHAC affordability controls outlined in N.J.A.C. 5:80-26.1. Approximately 1 percent of the Borough's housing units in 2000 were valued at less than \$150,000, according to the Census data.

For renter-occupied housing, an affordable monthly rent for a three-person household is estimated at \$1,340. According to 2000 U.S. Census data, approximately 16 percent of the Borough's rental units had a gross rent less than \$1,000.

7. Substandard Housing Capable of Being Rehabilitated. COAH provides the number of units in a community that are in need of rehabilitation and are not likely to experience "spontaneous rehabilitation." Upper Saddle River's rehabilitation share is zero units. This item is further explained in the Fair Share Plan section of this document.

C. PROJECTION OF MUNICIPAL HOUSING STOCK

The Fair Share Plan section of this document will include a detailed projection of the municipal housing stock, pursuant to COAH's rules for establishing the "growth share" component of the fair share obligation. This section will also identify historical and projected growth trends.

D. POPULATION ANALYSIS

The MLUL requires that a Housing Element provide data on the municipality's population, including population size, age and income characteristics.

1. Population Size. As seen in the table below, the Borough's population experienced substantial growth between 1950 and 1970. During the 1970s and 1980s, however, the Borough's population growth reversed direction, decreasing by nearly 10 percent throughout the two decades. Since 1990, the Borough has seen steady return of population growth. The 2007 population estimate of 8,362, provided by the New Jersey Department of Labor and Workforce Development, represents nearly a 10 percent increase over the 2000 Census figure.

Table 10: Population Growth (1920 to 2007)
Upper Saddle River, New Jersey

| Year | Population | Population Change | Percent Change |
|-------------|-------------------|--------------------------|-----------------------|
| 1920 | 251 | -- | -- |
| 1930 | 347 | 96 | 38.2 |
| 1940 | 510 | 163 | 47.0 |
| 1950 | 706 | 196 | 38.4 |
| 1960 | 3,570 | 2,864 | 405.7 |
| 1970 | 7,949 | 4,379 | 122.7 |
| 1980 | 7,958 | 9 | 0.1 |
| 1990 | 7,198 | (760) | (9.5) |
| 2000 | 7,741 | 543 | 7.5 |
| 2007* | 8,483 | 742 | 9.6 |

* NJ Department of Labor and Workforce Development (LWD) estimate
Sources: Bergen County Data Book; NJ Department of LWD

2. Age Characteristics. The Borough's age characteristics are outlined in the table below. As shown, the largest increase in population growth occurred in the 5 to 14 age group, whereas the largest decrease in population growth occurred in the 15 to 34 age group.

Table 11: Age Characteristics (1990 and 2000)
Upper Saddle River, New Jersey

| Age | 1990 | | 2000 | |
|-------------------|--------------|------------|--------------|------------|
| | Number | Percent | Number | Percent |
| Under 5 years | 407 | 5.6 | 594 | 7.7 |
| 5 to 19 years | 1,491 | 20.7 | 1,876 | 24.2 |
| 20 to 24 years | 451 | 6.3 | 199 | 2.6 |
| 25 to 34 years | 678 | 9.4 | 509 | 6.6 |
| 35 to 44 years | 1,184 | 16.4 | 1,434 | 18.5 |
| 45 to 54 years | 1,300 | 18.1 | 1,315 | 17.0 |
| 55 to 64 years | 1,026 | 14.3 | 932 | 12.0 |
| 65 to 84 years | 613 | 8.5 | 832 | 10.8 |
| 85 years and over | 48 | 0.7 | 50 | 0.6 |
| Total | 7,198 | 100 | 7,741 | 100 |

Source: U.S. Census, 1990 & 2000

3. Average Household Size. The average household size for the Borough peaked in 1970 at 3.97 people per household, but experienced a steady decline over the next two decades to reach a low of 3.10 people per household in 1990. Since then, average household size in the Borough has held steady at 3.10 people per household in 2000.

Table 12: Average Household Size (1960 to 2000)
Upper Saddle River, New Jersey

| Year | Total Population | Number of Households | Household Size |
|------|------------------|----------------------|----------------|
| 1960 | 3,570 | 960 | 3.72 |
| 1970 | 7,949 | 2,002 | 3.97 |
| 1980 | 7,958 | 2,277 | 3.49 |
| 1990 | 7,198 | 2,324 | 3.10 |
| 2000 | 7,741 | 2,497 | 3.10 |

Sources: 2003 Bergen County Data Book

4. Household Income. The median household income for Upper Saddle River households increased by approximately 36 percent between 1990 and 2000, from \$94,200 to \$127,635. There was a significant increase in the percent of households with income greater than \$150,000, jumping from approximately 29 percent of households in 1989 to 42 percent in 1999. Detailed household income figures are shown in the table below.

Table 13: Household Income (1989 and 1999)
Upper Saddle River, New Jersey

| Income Category | 1989 | | 1999 | |
|--------------------------------|-----------------|------------|------------------|------------|
| | Number | Percent | Number | Percent |
| Less than \$10,000 | 60 | 2.6 | 23 | 0.8 |
| \$10,000 to \$14,999 | 34 | 1.5 | 51 | 2.0 |
| \$15,000 to \$24,999 | 91 | 3.9 | 70 | 2.8 |
| \$25,000 to \$34,999 | 160 | 6.9 | 107 | 4.3 |
| \$35,000 to \$49,999 | 247 | 10.6 | 105 | 4.2 |
| \$50,000 to \$74,999 | 333 | 14.3 | 260 | 10.4 |
| \$75,000 to \$99,999 | 294 | 12.6 | 313 | 12.5 |
| \$100,000 to \$149,999 | 435 | 18.7 | 523 | 20.8 |
| \$150,000 or more | 673 | 28.9 | 1,058 | 42.2 |
| Total | 2,327 | 100 | 2,510 | 100 |
| Median Household Income | \$94,200 | -- | \$127,635 | -- |
| Bergen County Median | \$49,249 | -- | \$65,241 | -- |

Source: U.S. Census, 1990 & 2000

E. EMPLOYMENT ANALYSIS

The MLUL requires that the housing plan include data on employment levels in the community. The following tables present information on the Borough's employment characteristics.

1. Employment Status. Table 14 provides information on the employment status of Borough residents age 16 and over. In 2000, approximately 60 percent of the Borough's population over the age of 16 was employed, with 2.6 percent unemployed. It is also important to note that approximately 63 percent of the population age 16 years and over is in the labor force, while approximately 37 percent of the population is not in the labor force.

Table 14: Employment Status, Population 16 and Over (2000)
Upper Saddle River, New Jersey

| Employment Status | Number | Percent |
|-------------------------------------|--------------|--------------|
| In labor force | 3,523 | 62.7 |
| Civilian labor force | 3,523 | 62.7 |
| Employed | 3,376 | 60.1 |
| Unemployed | 147 | 2.6 |
| Armed Forces | 0 | 0.0 |
| Not in labor force | 2,096 | 37.3 |
| Total Population 16 and Over | 5,619 | 100.0 |

Source: U.S. Census, 2000

2. Employment Characteristics of Employed Residents. The following two tables detail information on the employment characteristics of employed Upper Saddle River residents. Table 15 details occupation characteristics, while Table 16 details industry characteristics.

Table 15: Employed Residents Age 16 and Over, By Occupation (2000)
Upper Saddle River, New Jersey

| Occupation | Number | Percent |
|---------------------------------------|---------------|----------------|
| Executive, Administrative, Managerial | 1,081 | 32.0 |
| Professional Specialty | 976 | 28.9 |
| Sales | 690 | 20.4 |
| Technical & Administrative Support | 296 | 8.8 |
| Services | 123 | 3.6 |
| Farming, Forestry, Fishing | 0 | 0.0 |
| Production & Maintenance | 106 | 3.1 |
| Transportation and Material Moving | 32 | 1.0 |
| Construction, Operators, Laborers | 72 | 2.1 |
| Total | 3,376 | 100 |

Source: U.S. Census, 2000

Table 16: Employed Residents Age 16 and Over, By Industry (2000)
Upper Saddle River, New Jersey

| Industry | Number | Percent |
|---|---------------|----------------|
| Agriculture, forestry, fishing and hunting, and mining | 0 | 0.0 |
| Construction | 156 | 4.6 |
| Manufacturing | 318 | 9.4 |
| Wholesale trade | 314 | 9.3 |
| Retail trade | 295 | 8.7 |
| Transportation and warehousing, and utilities | 51 | 1.5 |
| Information | 162 | 4.8 |
| Finance, insurance, real estate, and rental and leasing | 588 | 17.4 |
| Professional, scientific, management, administrative, and waste management services | 564 | 16.7 |
| Educational, health and social services | 654 | 19.4 |
| Arts, entertainment, recreation, accommodation and food services | 113 | 3.3 |
| Other services (except public administration) | 91 | 2.7 |
| Public administration | 70 | 2.1 |
| Total | 3,376 | 100 |

Source: U.S. Census, 2000

3. Employment Projections. Detailed employment projections are provided in the Fair Share Plan section of this document, as required by COAH in determining the Borough's growth share obligation.

SECTION II: FAIR SHARE OBLIGATION

A. INTRODUCTION

The methodology for determining the Borough's Third Round affordable housing obligation changed significantly from the prior round regulations. Under COAH's Third Round rules, a municipality's Third Round affordable housing obligation is a function of three components:

1. Rehabilitation Share
2. Remaining Prior Round Obligation
3. Growth Share

The growth share component represents the most significant change from the prior round, as it requires that each municipality determine its own affordable housing obligation based on the amount of residential and non-residential growth anticipated over the Third Round period from 2004 to 2018. Each of the three components is combined to determine the municipality's total affordable housing obligation. More detail on each component is provided below.

1. Rehabilitation Share. The rehabilitation share component of the affordable housing obligation is based on the municipality's existing housing deficiencies and includes existing housing units as of April 1, 2000 that are both deficient and occupied by households of low or moderate income. A municipality's Total Rehabilitation Share is equal to the sum of its overcrowded and dilapidated units, multiplied by its regional low- and moderate-income deterioration share, minus its Rehabilitation Share Credit. The rehabilitation share essentially replaces what was known as indigenous need in the previous rounds. As detailed herein, COAH has assigned a rehabilitation share of zero units to Upper Saddle River.
2. Remaining Prior Round Obligation. The Prior Round Obligation is the total Fair Share Obligation for the period 1987 to 1999. As noted in Appendix C, COAH is adopting municipalities' unadjusted 1987 to 1999 obligations, first published in 1993. Accordingly, Upper Saddle River's Prior Round Obligation is 206 units.

To determine the remaining Prior Round Obligation, a municipality imposes any adjustments approved for its second round plan and subtracts affordable housing units already built or transferred as part of a certified plan (or judgment of repose).

3. Growth Share. The growth share portion of a municipality's fair share obligation is based on the projected residential and employment growth in the municipality over the period between 2004 and 2018. Growth share is defined as:

"The affordable housing obligation generated in each municipality by both residential and non-residential development from 2004 through 2018 and represented by a ratio of one affordable housing unit among five housing units constructed plus one affordable housing unit for every 16 newly created jobs as measured by new or expanded non-residential construction within the municipality."

That is, each individual municipality's actual growth between 2004 and 2018 generates an affordable housing obligation. For residential development, one unit of affordable housing obligation is generated for every four market rate residential units constructed in the municipality. For non-residential development, one unit of affordable housing obligation is generated for each 16 jobs created in the community. Job creation estimates are based on the amount of new non-residential square footage developed within the community.

The following section contains development projections and a determination of the growth share assessment for the Third Round obligation.

B. CALCULATION OF AFFORDABLE HOUSING OBLIGATION

The calculation of the Borough's affordable housing obligation is detailed below.

1. Rehabilitation Share. Per the third round rules, Appendix B, the Borough has a rehabilitation share of zero units.
2. Remaining Prior Round Obligation. Appendix C indicates a recalculated prior round new construction obligation of 206 units for the Borough.

The Borough's certified prior round plan addressed its new construction obligation through a combination of credits for several inclusionary development projects, and regional contribution agreements. Because the Borough also received a vacant land adjustment in the prior round, a portion of those credits were intended to address the unmet need. The prior round plan components are presented below.

Table 17: Second Round Plan Components and Status
Upper Saddle River, New Jersey

| Plan Component | Number of Units | Status |
|------------------------------------|------------------------|--------------------|
| Regional Contribution Agreement | 59 | |
| Jersey City RCA | 17 | Completed |
| Additional RCA to distribute | 29 | No Activity |
| Secor | 13 | Completed |
| Inclusionary Development | 147 | |
| Triune Church | 24 | Completed |
| Pinnacle Properties (a.k.a. RAM) | 18+18 rental bonus | Completed |
| Efscher (a.k.a. Roebling) | 40+40 rental bonus | No Activity |
| Bendel (Lancaster) | 7 | Approved; Underway |
| Total | 206 | |
| Units Devoted to Unmet Need | 99 | |

- a. Credits, Reductions and Adjustments Regarding Prior Round Obligation. The Borough seeks credits, reductions and adjustments as detailed in the following sections.

- i. Credits. Third Round rules permit credits for units that were constructed (i.e. received certificates of occupancy) or rehabilitated following April 1, 2000 (i.e. received final inspections after 4/1/00), or transferred to another municipality as the subject of a regional contribution agreement (RCA). The Borough has 97 eligible credits, as shown in the following table.

**Table 18: Prior Round Credits
Upper Saddle River, New Jersey**

| Component | Credits |
|----------------------------------|----------------|
| Pinnacle Properties (a.k.a. RAM) | 36 |
| RCA (Secor) | 13 |
| RCA (Jersey City) | 17 |
| Triune Church | 24 |
| Bendel (Lancaster) | 7 |
| Total Credits | 97 |

- ii. Reductions. Reductions from the prior round obligation are permitted for unbuilt sites that were zoned for affordable housing as part of the certified second round plan. Reductions are subject to COAH review and sites must continue to present a realistic opportunity for the construction of affordable housing. The Borough has 80 eligible reductions, as shown in the table below.

**Table 19: Prior Round Reductions
Upper Saddle River, New Jersey**

| Component | Reductions |
|---------------------------|-------------------|
| Efscher (a.k.a. Roebling) | 80 |
| Total Reductions | 80 |

- iii. Adjustments. COAH honors adjustments granted as part of a second round certified plan, including vacant land adjustments. The Borough received a vacant land adjustment to its second round fair share obligation of 99 units. This number, known as unmet need, reflects the difference between the 206 unit pre-credited need and the 107 unit realistic development potential (RDP) number. Because the Borough is required to provide opportunities in order to address the unmet need, the 99 of the 206 units shown in Table 17 above were intended to satisfy the unmet need.

- b. Calculation of Remaining Prior Round Obligation. The Borough's remaining prior round obligation is represented in the table below.

**Table 20: Second Round Remaining Prior Round Obligation
Upper Saddle River, New Jersey**

| Component | Units |
|---|------------|
| Recalculated Obligation | 206 |
| Credits | -97 |
| Reductions | -80 |
| Adjustments | |
| Vacant Land Adjustment | -99 |
| Unmet Need to be Addressed | 99 |
| Remaining Prior Round Obligation | 29 |

3. Growth Share. The growth share component of the Borough's affordable housing obligation is calculated based on the projected amount of residential and non-residential growth anticipated between 2004 and 2018. This projected growth is initially provided in Appendix F of the COAH regulations. However, a municipality can also provide a detailed (actual) projection resulting from an analysis of approved, pending and anticipated development applications.

Once the detailed analysis is complete, this growth is translated into an affordable housing obligation, based on a standard of one affordable unit for every four market rate units that are projected and one affordable unit for every 16 jobs that are projected to be created.

The Borough takes exception with COAH's estimate of its growth potential. The lack of vacant land, along with an assessment of past and projected growth, indicates the COAH growth estimates are far in excess of what can be developed. A critical component that forms the basis for the Borough's objection to COAH's assessment of need is that it has incorrectly indicated that the Borough contains 330 acres of vacant land (see map at end of report), while a review of tax data reveals only 9.45 acres is developable per COAH regulations.

The growth share calculation presented below is separated into residential growth and non-residential growth categories.

- a. Projection of Residential Growth Share.

- i. Initial Projection of Residential Growth Share. Appendix F of the third round regulations provides the data needed to calculate the residential growth share. The residential growth projection is determined by subtracting the number of households in 2004 from the projected household growth for the municipality in 2018. This calculation results in the estimated household growth. The following calculation details the baseline projection for Upper Saddle River.

Table 21: Household Growth Estimates 2004 - 2018
Upper Saddle River, New Jersey

| 2018 Household Estimate | - | 2004 Household Estimate | = | Household Growth |
|-------------------------|---|-------------------------|---|------------------|
| 2,910 | | 2,675 | | 235 |

Source: N.J.A.C. 5:97, Appendix F, June 16, 2008 rule amendments

Based on the calculation above, COAH projects that Upper Saddle River will experience an increase of 235 households by 2018.

- ii. Actual Growth Projection. COAH permits municipalities to conduct a detailed analysis of historical trends, pending and approved development applications, and other local knowledge to generate a growth projection for the community. This figure can be used as the third round figure if it exceeds the figure provided in Appendix F.

The municipal projection is determined through a series of steps and analyses, as shown below.

Historical Trends in Residential Development. In this step, data for the years 1995-2008 YTD is presented in order to determine the Borough's historical residential growth trends and to determine actual growth since 2004, as evidenced by certificates of occupancy (COs) and demolition permits. Historical trends will be utilized in a later stage in order to project residential growth in years to come.

Table 22: Historical Trends in Residential Development
Analysis of Certificates of Occupancy and Demolition Permits, 1995-2008 YTD
Upper Saddle River, New Jersey

| | '95 | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 | '04 | '05 | '06 | '07 | '08 YTD* |
|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------|
| COs Issued | n/a | 17 | 5 | 11 | 1 | 8 | 28 | 62 | 94 | 22 | 15 | 14 | 14 | 8 |
| Demo Permits | n/a | 1 | 3 | 5 | 11 | 9 | 17 | 14 | 26 | 33 | 35 | 24 | 16 | 8 |
| Net Growth | n/a | 16 | 2 | 6 | -10 | -1 | 11 | 48 | 68 | -11 | -20 | -10 | -2 | 0 |

* Through August

Source: NJ DCA, The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>

As shown above, the Borough has experienced a varying amount of residential development when viewed on a year-by-year basis over the past ten years. The most significant amount of residential development occurred between 2002 and 2003, when the Borough averaged a net growth 58 units per year. However, since 2004, the Borough has consistently experienced a net loss of housing units. As outlined in the following section, it is anticipated that residential development will continue to decrease in the future as the number of developable tracts diminishes.

Projected Residential Development. COAH requires that residential development be projected through 2018. This analysis involves the documentation of residential projects that have been approved but have not yet received COs, pending residential development applications, and anticipated residential development. The analysis will include the estimated year in which the CO will likely be granted for each project. The table below details the approved and pending residential development projections.

**Table 23: Number of Residential Units by Year of Anticipated CO
Approved and Pending Residential Development Applications
Upper Saddle River, New Jersey**

| Approved Projects | '08 | '09 | '10 | '11 | '12 | '13 | '14 | '15 | '16 | '17 | Total |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Fascitelli Block 1223 Lot 11 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Hill Block 911 Lot 3 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Dor Block 213 Lot 16 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Giovannoli Block 302 Lot 9 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Dawli Block 704 Lot 3 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Pascack Hills Block 710 Lot 2 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| JSN Development Block 213 Lot 15 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Gamburg Block 1012 Lot 27.02 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Kommineni Block 804 Lot 5 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Subtotal | 2 | 5 | 7 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 19 |
| Pending Projects | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
| Freedberg Block 1214 Lot 4 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Subtotal | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Approved & Pending Total | 2 | 6 | 7 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 20 |

Anticipated development is that which will likely occur before 2018, based on site-specific analysis of remaining developable parcels and local knowledge. This analysis includes an estimate of other projected development, based in part on historical growth trends. The analysis of anticipated development applications is based on existing vacant sites that are expected to be developed for residential use before 2018. Yield calculations are based on existing zoning and other features that may impact the amount of development, such as the presence of environmental features, etc.

Table 24: Number of Residential Units by Year of Anticipated CO
Anticipated Residential Development Not Before Approving Authority
Upper Saddle River, New Jersey

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|--------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| COs | 0 | 1 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| Total | 0 | 1 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |

The following table summarizes the projected residential growth, based on the above analysis.

Table 25: Net Number of Residential Units by Year of Anticipated CO
All Residential Development
Upper Saddle River, New Jersey

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|--------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| COs | | | | | | | | | | | |
| Approved | 2 | 5 | 7 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 19 |
| Pending | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Anticipated | 0 | 1 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 2 | 7 | 9 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 25 |
| Demolitions | 2 | 6 | 8 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 22 |
| Total (net) | 1 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |

The final table includes actual data from 2004 through year-to-date 2008, representing the total actual and projected residential growth expected for the Third Round period.

Table 26: Total Net Number of Residential Units by Year – Actual and Projected
Upper Saddle River, New Jersey

| | Actual | | | | | Projected | | | | | | | | | | Total |
|-------------------|------------|------------|------------|-----------|-----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------|
| | '04 | '05 | '06 | '07 | 2008 YTD* | '08 | '09 | '10 | '11 | '12 | '13 | '14 | '15 | '16 | '17 | |
| COs Issued | 22 | 15 | 14 | 14 | 8 | 2 | 7 | 9 | 7 | 0 | 0 | 0 | 0 | 0 | 0 | 98 |
| Demo Permits | 33 | 35 | 24 | 16 | 8 | 2 | 6 | 8 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 138 |
| Net Growth | -11 | -20 | -10 | -2 | 0 | 0 | 1 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | -40 (0) |

* Through August

Source: NJ DCA, The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>

- iii. Comparison: COAH Projection and Actual Projection. If the actual projection is greater than or equal to the COAH projection, the actual projection has an automatic presumption of validity. However, if this projection is less than the baseline, COAH may deny substantive certification based on this fact, unless the validity of the alternate projection can be affirmatively established.

COAH's household growth projection of 235 units is not likely to occur given the development patterns of the last several years, projected development, and the lack of vacant land not constrained by environmental regulations. Using CO and demolition data, there is a net decrease in the number of projected household units. Our vacant land analysis indicates that future growth will be constrained by the developed nature of the Borough and lack of buildable land.

N.J.A.C. 5:97-2.5 allows COs issued for certain owner-occupied structures to be subtracted from growth for the purpose of determining the growth share obligation. The subtraction is limited to residential structures that have been occupied by the current owner for at least one year prior to the demolition, where no change in use has occurred. Redevelopment, rental properties, previously vacant properties and properties with a change of use or intensity of use, among other categories, would continue to generate a growth share under the proposal.

Per 2000 U.S. Census data, 97 percent of housing units in Upper Saddle River are owner-occupied, reflecting the overwhelming development pattern of single-family residential development. From 2000 to the present, there have been more demolitions than residential units constructed, representing teardowns of older single-family housing stock being replaced by more modern single-family units. For the purposes of determining residential growth share obligation, we are subtracting owner-occupied residential structures that have been recorded as demolished during this time period, not to go lower than zero units.

- iv. Determining the Residential Growth Share. In this step, the projected growth is adjusted based on that portion of the projection that includes affordable units which are to be constructed in accordance with a prior round certified plan. All affordable housing units may be excluded, as well as a portion of any market rate units which are part of an inclusionary development that received credit in a prior round plan. Market rate units in an inclusionary development may be excluded at a rate of four times the number of affordable units constructed on-site. No Prior Round units are included in the Borough's Growth Share calculation.

Based on the historical growth, we estimate a net residential growth share of 0 units between 2004 through 2018. Based on the available vacant land that is not environmentally constrained, we estimated a residential growth share of 15 units, which would be the total projected residential growth share through 2018 if the Borough relied solely on COAH's development potential density of 8 units per acre. However, this would not take into account that, historically, Upper Saddle River has experienced a net zero growth due to teardowns and re-builds. This Plan therefore focuses only on projected non-residential growth, which results in 18 units of projected growth share through 2018. This Plan addresses a 6 unit projected growth obligation through 2011, when the Plan must be reviewed again. Household growth and development potential will be reevaluated at that time, and the Plan adjusted accordingly.

b. Projection of Non-Residential Growth Share

- i. Initial Projection of Non-Residential Growth Share. The baseline employment growth projection for non-residential development is generated from the employment projections provided in Appendix F of the third round regulations. Employment growth is estimated based on the employment projections for 2004 to 2018. The following calculation details the baseline non-residential growth projection for Upper Saddle River.

Table 27: Non-Residential Growth Estimates 2004-2018
Upper Saddle River, New Jersey

| 2018 Employment Estimate | - | 2004 Employment Estimate | = | Employment Growth |
|--------------------------|---|--------------------------|---|-------------------|
| 4,408 | - | 4,099 | = | 309 |

Source: NJTPA Population and Employment Projections, http://www.njtpa.org/Plan/LRP/documents/AppB_DemoFore.pdf

- ii. Actual Projection of Non-Residential Growth. Like the residential growth share analysis, COAH permits a municipality to prepare a detailed analysis of historical trends, pending and approved development applications, and other local knowledge to generate an actual non-residential growth projection for the Borough. The detailed projection is determined through a series of similar steps and analyses, as shown below.

Historical Trends in Non-Residential Development. In this step, historical data for the years 1996-2008 YTD is shown. This data establishes the Borough's historical non-residential growth trends and provides actual growth figures for 2004 through year-to-date 2008. Non-residential growth is indicated by certificates of occupancy and demolition permits issued. Historical trends are then utilized in a subsequent stage to help predict non-residential growth. The table presents this information based on the total square footage by type of non-residential development (i.e. office, retail, etc.).

Table 28: Historical Trends in Non-Residential Development, 1996-2008 YTD
Analysis of Certificates of Occupancy and Demolition Permits, Square Footage by Use Type
Upper Saddle River, New Jersey

| | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 | '04 | '05 | '06 | '07 | 2008 YTD* |
|--|-----|-----|-----|-----|-----|-----|-----|--------|-----|---------|-----|---------------|-----------|
| Certificates of Occupancy Issued (sf) | | | | | | | | | | | | | |
| Self-Storage | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 160,771 | 0 | 0 | 0 |
| Educational | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 47,936 | 0 | 0 | 0 | 0 | 0 |
| Storage/Dist | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 21,160 | 0 | 0 | 0 | 54,631 (1) | 0 |
| Demolition Permits Issued (sf): 2007: Hotel (R1) 6,917 sf | | | | | | | | | | | | | |

* Through August Source: NJ DCA, The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>

(1): Portion of building located within Upper Saddle River

The data for 2004 through year-to-date 2008 is translated into employment growth, based on the multipliers provided in Appendix D of the substantive rules. This is shown in the table below.

Table 29: Actual Non-Residential Growth Share, 2006-2008 YTD
Upper Saddle River, New Jersey

| | 2004 | | 2005 | | 2006 | | 2007 | | 2008 YTD* | | Total |
|----------------------------------|----------|------|------------|---------|-------------|------|----------|------|-----------|------|-------------|
| | SF | Jobs | SF | Jobs | SF | Jobs | SF | Jobs | SF | Jobs | Jobs |
| Certificates of Occupancy | | | | | | | | | | | |
| Self-Storage (2) | 0 | 0 | 160,771 | 3.2 (2) | 0 | 0 | 0 | 0 | 0 | 0 | 3.2 |
| Education | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Storage / Dist | 0 | 0 | 0 | 0 | 54,631 (1) | 54.6 | 0 | 0 | 0 | 0 | 54.6 |
| Demolition Permits | | | | | | | | | | | |
| R1 - Hotel | 0 | 0 | 0 | 0 | 6,917 | 11.8 | 0 | 0 | 0 | 0 | -11.8 |
| Total Jobs | 0 | | 3.2 | | 42.8 | | 0 | | 0 | | 46.0 |

* Through August

(1): Portion of building located in Upper Saddle River (total incl Ramsey portion is 102,639)

(2): Self-Storage facilities typically have max of 2 employees per shift (approx 1 empl per 50,000 sf floor area)

Projected Non-Residential Development. COAH requires that non-residential development be projected to 2018. This analysis involves the identification of all prospective non-residential projects, including those approved but not receiving COs, any pending non-residential development applications, and anticipated residential development.

Table 30: Projected Non-Residential Square Footage/Jobs, by Year of Anticipated CO
Approved and Pending Development Applications
Upper Saddle River, New Jersey

| Approved Projects | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Triangle Mfg Block 1301 Lots 1.11, 1.11-1 | 0 | 0 | 38,550 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38550 |
| <i>Subtotal: Jobs</i> | 0 | 0 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38.5 |
| Pending Projects | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
| Jack Daniels Motors, Inc. Block 1015 Lot 7 | 0 | 18,096 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18096 |
| <i>Subtotal: Jobs</i> | 0 | 18.1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18.1 |
| Total Jobs | | 18.1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56.6 |

The analysis of anticipated development applications is based on existing vacant sites that are expected to be developed for non-residential use before 2018. Yield calculations are based on existing zoning and other features that may impact the amount of development, such as the presence of environmental restraints, etc.

**Table 31: Projected Non-Residential Square Footage/Jobs, by Year of Anticipated CO
Anticipated Development
Upper Saddle River, New Jersey**

| Block Lot/Site | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|-------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| NONE | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Jobs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

COAH allows municipalities to reflect the loss of jobs associated with the demolition of occupied non-residential space. Accordingly, the following table projects the job loss associated with projected non-residential demolitions.

**Table 32: Projected Job Loss Associated with Non-Residential Demolitions by Year
Pending and Approved – Square Footage and Jobs
Upper Saddle River, New Jersey**

| Project Site | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|--|----------|-------------|----------|----------|----------|----------|----------|----------|----------|----------|-------------|
| Jack Daniels Motors, Inc. Block 1015 Lot 7 6,272 sf restaurant (M) | 0 | 10.7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10.7 |
| Total Projected Job Loss | 0 | 10.7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10.7 |

The following table details the net projected employment growth based on all the above projections, including approved, pending and anticipated development applications, as well as projected job loss associated with anticipated demolitions. For the purposes of developing a plan through 2011, we are projecting growth through that year. When the Housing Plan is revisited, we will review growth patterns and develop projections for the second half of the Third Round through 2018.

**Table 33: Net Projected Employment Growth
All Development and Demolitions
Upper Saddle River, New Jersey**

| Block Lot/Site | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | Total |
|--------------------|----------|-------------|-------------|----------|----------|----------|----------|----------|----------|----------|-------------|
| Approved | 0 | 0 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38.5 |
| Pending | 0 | 18.1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18.1 |
| Anticipated | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 0 | 18.1 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56.6 |
| Demolitions | 0 | 10.7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10.7 |
| Total (net) | 0 | 7.4 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 45.9 |

Actual data from 2004 through year-to-date 2008 is added to the table below to provide a complete non-residential growth projection for the third round period.

**Table 34: Total Net Employment Growth – Actual and Projected
Upper Saddle River, New Jersey**

| | Actual | | | | | Projected | | | | | | | | | | Totals |
|-------------------|----------|------------|-------------|----------|------------|-----------|------------|-------------|----------|----------|----------|----------|----------|----------|----------|-------------|
| | 04 | 05 | 06 | 07 | 08 YTD* | 08 | 09 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | |
| COs | 0 | 3.2 | 54.6 | 0 | 0 | 0 | 18.1 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 114.4 |
| Demolitions | 0 | 0 | 11.8 | 0 | 0 | 0 | 10.7 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 22.5 |
| Net Growth | 0 | 3.2 | 42.8 | 0 | 0 | 0 | 7.4 | 38.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 91.9 |

iii. Comparison: COAH Projection and Actual Projection. If the actual projection is greater than or equal to the COAH projection, the actual projection has an automatic presumption of validity. If this projection is less than COAH's, COAH may deny substantive certification unless the validity of the alternate projection can be affirmatively established.

iv. Determining the Non-Residential Growth Share. The non-residential growth share obligation is determined by dividing the Final Net Employment Growth projections by 16, based on the requirement that one affordable unit be constructed for every 16 jobs created:

$$91.9 \text{ jobs} / 16 \text{ jobs per unit} = 5.7 \text{ units (6 units – non-residential growth share)}$$

c. Total Growth Share Obligation: Residential and Non-Residential Development. The complete growth share projection the Borough's estimate of growth share affordable housing obligation for the Third Round period. Since the residential growth share projected through 2011 is zero units, the **six units** of non-residential growth share represent the total growth share new construction number of the Borough.

4. Total Fair Share Obligation. As indicated previously, the total fair share obligation is the sum of the rehabilitation share, remaining prior round obligation, and the growth share. As shown below, Upper Saddle River has a total fair share obligation of 47 units. The Plan is addressing the six unit Borough growth projection through 2011 and the 29 unit Prior Round obligation.

**Table 35: Total Fair Share Obligation
Upper Saddle River, New Jersey**

| Component | Obligation |
|------------------------------------|------------|
| Rehabilitation Share | 0 |
| Remaining Prior Round Obligation | 29 |
| Growth Share | 18 |
| Total Fair Share Obligation | 47 |

SECTION III: FAIR SHARE PLAN

A. PLAN SUMMARY

This section of the plan details the projects, mechanisms and funding sources which will be used to meet the Borough's affordable housing obligation through 2011. As required by COAH, the Borough must revisit the findings of its Housing Plan in 2011 to reassess development and projected growth. Although the numbers within this Housing Plan are through 2018, the details of the Plan address the obligation through 2011.

The Borough has 29 units outstanding from its Prior Round obligation. Upper Saddle River has no rehabilitation obligation.

The Borough has a growth share obligation through 2018 of 18 units, but growth through 2011 is projected at six units. The following is noted with respect to the growth share:

1. Age Restricted Units. The Borough may age restrict no more than 25 percent of the affordable units provided within the community, or four units.
2. Rental Component and Bonus Credits. COAH regulations stipulate that at least 25 percent, or five units, of a municipality's growth share obligation must be addressed with rental housing. Third Round rules provide for a 2:1 rental bonus credit for rental units constructed in excess of the rental obligation identified above. No more than 50 percent of the rental obligation can be classified as age-restricted housing.
3. Family Housing. At least 50 percent, or nine units, of the new construction affordable housing obligation must be considered "family housing," that is available to all who meet the specific income guidelines.
4. Maximum Bonus Credits. No more than 25 percent of the growth share obligation, or four units, may be satisfied using bonus credits.

B. THIRD ROUND PLAN COMPONENTS

1. 100 Percent Affordable Development. The Borough owns property on Crescent Avenue that could be developed as a 100 percent affordable development. This option is preferred to relying on inclusionary developments to address the affordable housing obligation since the Borough owns land that could be provided to a non-profit organization to develop the units. The current rules indicate that market rate units within inclusionary developments generate their own affordable housing obligation. Consequently, they no longer can be relied upon to address a municipality's affordable housing obligation as defined by COAH. Furthermore, our vacant land analysis indicates limited opportunities to develop inclusionary developments large enough to generate a significant number of affordable units to address the affordable housing obligation in an efficient manner.

The Borough owned site comprises four lots as follows:

| <u>Address (Block & Lot)</u> | <u>Lot Area</u> |
|---|------------------------|
| 176 Crescent Ave (Block 1016 Lot 2) | 0.30 ac |
| 172 Crescent Ave (Block 1016 Lot 3) | 1.00 ac |
| 168 Crescent Ave (Block 1016 Lot 4) | 1.00 ac |
| 160 Crescent Ave (Block 1016 Lot 6) | 0.98 ac |

Lots 2, 3 and 4 are contiguous, providing a 3.3 acre site. With Lot 6, the total site area is 4.28 acres. The Borough site is able to accommodate 20 affordable rental units, enough to address the Prior Round 29 units and the Third Round six unit obligation projected through 2011 as follows:

| <u>Units</u> | <u>Bonus</u> | <u>Credits</u> |
|---|---------------------|-----------------------|
| Prior Round: 15 rental units -- 2:1 rental bonus credits | 15 units | 30 units |
| Third Round: 2 rental units -- addresses 25% rental minimum req. | 0 units | 2 units |
| Third Round: 1 rental unit -- max bonus up to 25% of obligation | 1 unit | 2 units |
| Third Round: 2 rental units | 0 units | 2 units |
| TOTAL UNITS: 20 units | 16 units | 36 units |

Based on COAH regulations, the proposed 20 rental units combined with credits received for providing rental units would give the Borough 36 credits for a 100 percent affordable development at the Borough site, satisfying the remainder of the Prior Round obligation and addressing the entirety of the Third Round obligation.

2. Development Fees. The Borough should adjust its development fee ordinance to collect fees as permitted by COAH's Third Round rules. The funds generated by the collection of development fees will be applied directly toward the implementation of the Borough's Fair Share Plan, including spending at least 30 percent of funds for affordability assistance.

Development fees of up to 1.5 percent of the equalized assessed value may be collected on residential development, while 2.5 percent of the equalized assessed value may be collected on non-residential development. Additional residential units resulting from a "d" variance and additional non-residential floor area resulting from a "d" variance will be subject to a six percent development fee based on equalized assessed value.

C. PLAN DOCUMENTS

The appendices will include the ordinances and resolutions related to the implementation of the Third Round Plan. In addition, maps and vacant land data are included indicating the supporting information for the findings of the Third Round Plan as well as COAH's initial vacant land assessment.

APPENDICES

A - 1: Changes to Municipal Zoning Ordinances During the Previous Two Years

NO CHANGES DURING PREVIOUS TWO YEARS.

Borough of Upper Saddle River Housing Element and Fair Share Plan

A - 2: Development Fee Ordinance

Borough of Upper Saddle River Housing Element and Fair Share Plan

1. Purpose

- a) In Holmdel Builder's Association V. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- b) Pursuant to P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from non-residential development.
- c) This ordinance establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L.2008, c.46, Sections 8 and 32-38. Fees collected pursuant to this ordinance shall be used for the sole purpose of providing low- and moderate-income housing. This ordinance shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:97-8.

2. Basic requirements

- a) This ordinance shall not be effective until approved by COAH pursuant to *N.J.A.C. 5:96-5.1*.
- b) Upper Saddle River shall not spend development fees until COAH has approved a plan for spending such fees in conformance with *N.J.A.C. 5:97-8.10* and *N.J.A.C. 5:96-5.3*.

3. Definitions

- a) The following terms, as used in this ordinance, shall have the following meanings:
 - i. **"Affordable housing development"** means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable development.

- ii. **“COAH”** or the **“Council”** means the New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the State.
- iii. **“Development fee”** means money paid by a developer for the improvement of property as permitted in *N.J.A.C. 5:97-8.3*.
- iv. **“Developer”** means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.
- v. **“Equalized assessed value”** means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (C.54:1-35a through C.54:1-35c).
- vi. **“Green building strategies”** means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

4. Residential Development fees

- a) Imposed fees
 - i. Within the residential zoning districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of 1.5 percent of the equalized assessed value for residential development provided no increased density is permitted.
 - ii. When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a “d” variance) has been permitted, developers may be required to pay a development fee of 6 percent of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal one percent of the equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

- b) Eligible exactions, ineligible exactions and exemptions for residential development
 - i. Affordable housing developments and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
 - ii. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
 - iii. Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
 - iv. Developers of one or two owner-occupied dwelling units, residential structures demolished and replaced as a result of a natural disaster, green buildings etc. shall be exempt from paying a development fee.

5. Non-residential Development fees

- a) Imposed fees
 - i. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
 - ii. Non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.

Borough of Upper Saddle River Housing Element and Fair Share Plan

- iii. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvement and the equalized assessed value of the newly improved structure, i.e. land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.
- b) Eligible exactions, ineligible exactions and exemptions for non-residential development
 - i. The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half (2.5) percent development fee, unless otherwise exempted below.
 - ii. The 2.5 percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
 - iii. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" Form. Any exemption claimed by a developer shall be substantiated by that developer.
 - iii. A developer of a non-residential development exempted from the non-residential development fee pursuant to P.L.2008, c.46 shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.
 - iv. If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by Upper Saddle River as a lien against the real property of the owner.

6. Collection procedures

- a) Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official or designated municipal official responsible for the issuance of a building permit.
- b) For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The Developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- c) The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.
- d) Within 90 days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- e) The construction official responsible for the issuance of a final certificate of occupancy notifies the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- f) Within 10 business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- g) Should Upper Saddle River fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L.2008, c.46 (C.40:55D-8.6).
- h) Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

- i) Appeal of development fees
 - 1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by Upper Saddle River. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.
 - 2) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by Upper Saddle River. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

7. Affordable Housing trust fund

- a) There is hereby created a separate, interest-bearing housing trust fund to be maintained by the chief financial officer for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- b) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - 1. payments in lieu of on-site construction of affordable units;
 - 2. developer contributed funds to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - 3. rental income from municipally operated units;
 - 4. repayments from affordable housing program loans;
 - 5. recapture funds;
 - 6. proceeds from the sale of affordable units; and
 - 7. any other funds collected in connection with Upper Saddle River's affordable housing program.

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- c) Within seven days from the opening of the trust fund account, the Borough of Upper Saddle River shall provide COAH with written authorization, in the form of a three-party escrow agreement between the municipality, the bank, and COAH to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:97-8.13(b).
- d) All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH.

8 Use of funds

- a) The expenditure of all funds shall conform to a spending plan approved by COAH. Funds deposited in the housing trust fund may be used for any activity approved by COAH to address the Upper Saddle River's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing non-residential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.
- b) Funds shall not be expended to reimburse Upper Saddle River for past housing activities.
- c) At least 30 percent of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of median income by region.
 - i. Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs.

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- ii. Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income. The use of development fees in this manner shall entitle Upper Saddle River to bonus credits pursuant to N.J.A.C. 5:97-3.7.
- iii. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- d) Upper Saddle River may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:96-18.
- e) No more than 20 percent of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20 percent of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

9. Monitoring

- a) Upper Saddle River shall complete and return to COAH all monitoring forms included in monitoring requirements related to the collection of development fees from residential and non-residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with Upper Saddle River's housing program, as well as to the expenditure of revenues and implementation of the plan certified by COAH. All monitoring reports shall be completed on forms designed by COAH.

10. Ongoing collection of fees

- a) The ability for Upper Saddle River to impose, collect and expend development fees shall expire with its substantive certification unless Upper Saddle River has filed an adopted Housing Element and Fair Share Plan with COAH, has petitioned for substantive certification, and has received COAH's approval of its development fee ordinance. If Upper Saddle River fails to renew its ability to impose and collect development fees prior to the expiration of substantive certification, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320). Upper Saddle River shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall Upper Saddle River retroactively impose a development fee on such a development. Upper Saddle River shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

Borough of Upper Saddle River Housing Element and Fair Share Plan

A - 3: Resolution Requesting COAH to Review the Development Fee Ordinance

Borough of Upper Saddle River Housing Element and Fair Share Plan

WHEREAS, Upper Saddle River, Bergen County was granted substantive certification by the Council on Affordable Housing (COAH) on *[insert date]*; and

WHEREAS, P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), permits municipalities that are under the jurisdiction of COAH or of a court of competent jurisdiction and that have a COAH-approved spending plan to impose and retain fees on residential and non-residential development; and

WHEREAS, subject to P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), N.J.A.C. 5:97-8.3 permits a municipality to prepare and submit a development fee ordinance for review and approval by the Council on Affordable Housing (COAH) that is accompanied by and includes the following:

1. A description of the types of developments that will be subject to fees per N.J.A.C. 5:97-8.3(c) and (d);
2. A description of the types of developments that are exempted per N.J.A.C. 5:97-8.3(e);
3. A description of the amount and nature of the fees imposed per N.J.A.C. 5:97-8.3(c) and (d);
4. A description of collection procedures per N.J.A.C. 5:97-8.3(f);
5. A description of development fee appeals per N.J.A.C. 5:97-8.3(g); and
6. A provision authorizing COAH to direct trust funds in case of non-compliance per N.J.A.C. 5:97-8.3(h).

WHEREAS, Upper Saddle River has prepared a draft development fee ordinance that establishes standards for the collection, maintenance, and expenditure of development fees consistent with COAH's regulations at N.J.A.C. 5:97-8 and in accordance with P.L.2008, c.46, Sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

NOW THEREFORE BE IT RESOLVED that the Governing Body of Upper Saddle River, Bergen County requests that COAH review and approve Upper Saddle River's development fee ordinance.

Rose Vido, RMC
Borough Clerk

A - 4: Spending Plan

Spending Plan

INTRODUCTION

The Borough of Upper Saddle River, Bergen County has a development fee ordinance that was approved by the Council on Affordable Housing (COAH) on *[insert date of approval]*. This spending plan is prepared in accordance with N.J.A.C. 5:94-6.2(c) and 6.5 and includes the following:

1. Projection of revenues anticipated from imposing fees on development, based on actual proposed and approved developments and historic rate of development activity.
2. A description of the administrative mechanism that the municipality will use to collect and distribute revenues.
3. A description of the anticipated use of all development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, pursuant to N.J.A.C. 5:94-6.12, repayment of loans for rehabilitation or affordability assistance, and voluntary contributions.
4. A schedule for the creation and/or rehabilitation of housing units.
5. If the municipality is including a municipally sponsored or 100 percent affordable program, a new construction alternative living arrangement or an affordable housing partnership program, a pro-forma statement of the anticipated costs and revenues associated with the development.
6. The manner in which the municipality will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan.

To date, the Borough of Upper Saddle River has collected \$467,500 in its affordable housing trust fund. All development fees collected and interest generated by the fees are deposited in a separate interest-bearing account in *[insert name of bank]* for the purposes of affordable housing.

1. PROJECTION OF REVENUES FOR CERTIFICATION PERIOD

To calculate a projection of revenue anticipated through the expiration of substantive certification, The Borough of Upper Saddle River considered the following:

- (a) Residential and nonresidential projects which have had development fees imposed upon them at the time of preliminary or final development approvals are anticipated to provide \$ 0 in development fees at issuance of building permits and/or certificates of occupancy during the period of substantive certification.
- (b) All projects currently before the planning and zoning boards for development approvals that may apply for building permits and certificates of occupancy are anticipated to provide \$ 0 in development fees during the period of substantive certification.

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- (c) Development projected to begin construction based on historic rates of development is anticipated to provide an additional \$ 332,500 in development fees during the period of substantive certification.
- (d) Payments in lieu of construction from developers pursuant to N.J.A.C. 5:94-4.4(b-e) are anticipated to provide \$ 0 in development fees during the period of substantive certification.
- (e) Funds from other sources, including, but not limited to, the sale of units with extinguished controls, repayment of loans for rehabilitation or affordability assistance, and voluntary contributions are anticipated to provide \$ 0 in fees during the period of substantive certification.
- (f) Interest on the projected revenue in the housing trust fund at the current average interest rate is anticipated to provide \$100,000 to accrue to the affordable housing trust fund during the period of substantive certification.

The Borough of Upper Saddle River projects a total of \$ 900,000 in revenue to be collected between *December 31, 2008* and the expiration of substantive certification. When the total revenue projected of \$432,500 is added to the amount collected to date of \$467,500, a total of \$ 900,000 will be collected prior to the expiration of substantive certification. All development fees, payments in lieu of construction and other funds listed above will be deposited in a separate interest-bearing account in *[insert name of bank]* and all interest earned on the account will accrue to the account to be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues will be followed by the Borough of Upper Saddle River:

(a) Collection of development fee revenues:

The planning board secretary notifies the *[insert title of designated municipal official]* whenever preliminary, final or other applicable approval is granted for a development which is subject to a development fee.

When a request is made for a building permit, the *[insert title of designated municipal official]* determines if the project is subject to the imposition of a mandatory development fee.

Borough of Upper Saddle River Housing Element and Fair Share Plan

If so, the *[insert title of designated municipal official]* will notify the Borough tax assessor to calculate the approximate value of the project and set the fee based on:

For residential fees: the equalized assessed value

For non-residential fees: the equalized assessed value

The developer will pay up to 50 percent of the estimated development fee to the *[insert title of designated municipal official]* at the time the building permit is issued. The funds are then forwarded to the *[insert title of designated municipal official]* and deposited in the affordable housing trust fund.

The balance of the development fee will be paid by the developer to the *[insert title of designated municipal official]* at the issuance of the certificate of occupancy. The funds are then forwarded to the Borough Treasurer and deposited in the affordable housing trust fund.

(b) Distribution of development fee revenues:

The Affordable Housing Board adopts and forwards a resolution to the governing body recommending the expenditure of development fee revenues as set forth in this spending plan. The governing body reviews the request for consistency with the spending plan and adopts the recommendation by resolution.

The release of funds requires the adoption of the governing body resolution in accordance with the COAH-approved spending plan. Once a request is approved by resolution, the Borough Treasurer releases the requested revenue from the trust fund for the specific use approved in the governing body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF DEVELOPMENT FEES

- (a) The Borough of Upper Saddle River will dedicate \$ 480,000 to New Construction programs which are exempt from the affordability assistance requirement.

New Construction project(s): \$ 480,000

Develop 100 percent affordable housing on municipal site.

Borough of Upper Saddle River Housing Element and Fair Share Plan

- (b) The Borough of Upper Saddle River will dedicate \$ 270,000 from the affordable housing trust fund to render units more affordable, including \$ 90,000 to render units more affordable to households earning 30 percent or less of median income by region, as follows:

[provide detailed description of the proposed affordability assistance program]

- (c) The Borough of Upper Saddle River will dedicate \$130,000 from the affordable housing trust fund to be used for administrative purposes as follows:

Housing plan and ordinance amendments and updates.

- (d) The remaining \$0 in the affordable housing trust fund will be used as follows:

N/A

| SPENDING PLAN CALCULATION SUMMARY | |
|--|--------------------|
| Existing Balance | \$467,500 |
| Pending fees due upon issuance of building permit and/or CO | + \$0 |
| Projects awaiting approval | + \$0 |
| Projection based on historic development activity | + \$332,500 |
| Payments in lieu of construction | + \$0 |
| Projected Interest | + \$100,000 |
| Other | + \$0 |
| TOTAL PROJECTED REVENUE | = \$900,000 |
| Funds used for Rehabilitation, RCA or New Construction (not including administration of such programs) | - \$500,000 |
| TOTAL SUBJECT TO AFFORDABILITY | = \$270,000 |
| ASSISTANCE REQUIREMENT | |
| Affordability Assistance (minimum of 30% of above total) | - \$0 |
| Affordability Assistance to Very Low Income Households (minimum of 1/3 of above allotment) | \$90,000 |
| Administration (maximum of 20% of total projected revenue minus RCA contribution) | - \$130,000 |
| REMAINING FUNDS FOR OTHER HOUSING ACTIVITY | = \$0 |
| 1. <i>[list individual projects]</i> | - \$ |
| 2. | - \$ |
| 3. | - \$ |
| | = \$0.00 |

Borough of Upper Saddle River Housing Element and Fair Share Plan

4. SCHEDULE FOR CREATION AND/OR REHABILITATION OF HOUSING UNITS

The Borough of Upper Saddle River intends to use development fee revenues for the creation and/or rehabilitation of housing units. The creation/rehabilitation schedule will parallel the schedule set forth in the Housing Element and Fair Share Plan as follows:

100 percent affordable development on municipal site

| PROGRAM | NUMBER OF UNITS | FUNDS REQUIRED | | | | | | | | | |
|--------------------------------|-----------------|----------------|-----|-----|-----|-----|---|---|---|---|----|
| | | (YEAR) | | | | | | | | | |
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1. 100% affordable development | 12 | | TBD | TBD | TBD | TBD | | | | | |
| 2. | | | | | | | | | | | |
| 3. | | | | | | | | | | | |
| 4. | | | | | | | | | | | |
| 5. | | | | | | | | | | | |
| 6. | | | | | | | | | | | |
| 7. | | | | | | | | | | | |

5. MUNICIPALLY SPONSORED OR 100 PERCENT AFFORDABLE PROGRAMS, NEW CONSTRUCTION ALTERNATIVE LIVING ARRANGEMENTS, AND AFFORDABLE HOUSING PARTNERSHIP PROGRAMS

To be determined.

SUMMARY

The Borough of Upper Saddle River intends to spend development fee revenues pursuant to N.J.A.C. 5:94-6.12 and in conjunction with the housing programs outlined in the housing element and fair share plan dated November 2008.

The Borough of Upper Saddle River has collected \$467,500 to date and anticipates an additional \$432,500 in revenues before the expiration of substantive certification for a total of \$900,000. The municipality will dedicate \$500,000 towards *land acquisition for 100 percent affordable housing development*, \$270,000 to render units more affordable, and \$130,000 to administrative costs. Any shortfall of funds will be offset by funds from the municipality or other sources as yet to be determined.

Borough of Upper Saddle River Housing Element and Fair Share Plan

A - 5: Resolution Forwarding the Spending Plan to COAH For Review

Resolution Forwarding the Spending Plan to COAH For Review

WHEREAS, the Governing Body of the Borough of Upper Saddle River, Bergen County petitioned the Council on Affordable Housing (COAH) for substantive certification on *(insert date)*; and

WHEREAS, the Borough of Upper Saddle River received approval from COAH on *[insert date]* of its development fee ordinance; and

WHEREAS, N.J.A.C. 5:94-6.2(c) requires a municipality with an adopted development fee ordinance, payments that have been received in lieu of constructing affordable housing pursuant to the terms of a developer's agreement and/or funds from the sale of units with extinguished controls to receive approval of a spending plan from COAH prior to spending any of the funds in its housing trust fund; and

WHEREAS, N.J.A.C. 5:94-6.5 requires a spending plan to include the following:

1. A projection of revenues anticipated from imposing fees on development, based on actual proposed and approved developments and historic development activity;
2. A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
3. A description of the anticipated use of all development fees, payments in lieu of constructing affordable housing units on site, and/or funds from the sale of units with extinguished controls, pursuant to N.J.A.C. 5:94-6.12;
4. A schedule for the expenditure of all development fees, payments in lieu of constructing affordable units on site, and/or funds from the sale of units with extinguished controls;
5. A schedule for the creation or rehabilitation of housing units;
6. A pro-forma statement of the anticipated costs and revenues associated with the development if the municipality envisions being responsible for public sector or non-profit construction of housing; and
7. The manner through which the municipality will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan; and

Borough of Upper Saddle River Housing Element and Fair Share Plan

WHEREAS, the Borough of Upper Saddle River has prepared a spending plan consistent with N.J.A.C. 5:94-6.5.

NOW THEREFORE BE IT RESOLVED that the Governing Body of the Borough of Upper Saddle River, Bergen County requests that COAH review and approve Upper Saddle River's spending plan.

Rose Vido, RMC
Borough Clerk

A - 6: Fair Share Ordinance

Fair Share Ordinance

This section of the Upper Saddle River Code sets forth regulations regarding low and moderate income housing units in Upper Saddle River that are consistent with the provisions of N.J.A.C. 5:94 et. seq. These rules are pursuant to the Fair Housing Act of 1985 and Upper Saddle River's constitutional obligation to provide for its fair share of low- and moderate-income housing.

1. In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be low-income units and the remainder may be moderate-income units.
2. Except for inclusionary developments constructed pursuant to low income tax credit regulations:
 - a. at least half of all units within inclusionary development will be affordable to low income households; and
 - b. at least half of all rental units will be affordable to low income households; and
3. Affordable developments that are not age-restricted will be structured in conjunction with realistic market demands so that:
 - a. the combination of efficiency and one bedroom units is no greater than 20 percent of the total low and moderate income units; and
 - b. at least 30 percent of all low and moderate income units are two bedroom units; and
 - c. at least 20 percent of all low and moderate income units are three bedroom units; and
 - d. low and moderate-income units restricted to senior citizens may utilize a modified bedroom distribution. At a minimum, the number of bedrooms will equal the number of senior citizen low and moderate income units within the inclusionary development.
4. In conjunction with realistic market information, the following criteria will be used in determining maximum rents and sale prices:
 - a. studio units will be affordable to one person households; and
 - b. one bedroom units will be affordable to one and one-half person households; and
 - c. two bedroom units will be affordable to three person households; and
 - d. three bedroom units will be affordable to four and one-half person households; and

Borough of Upper Saddle River Housing Element and Fair Share Plan

- e. median income by household size will be established by a regional weighted average of the uncapped Section 8 income limits published by HUD as per N.J.A.C. 5:94-7.2(b); and
 - f. the maximum rent for affordable units within each affordable development shall be affordable to households earning no more than 60 percent of median income.
 - g. the average rent for low- and moderate-income units must be affordable to households earning no more than 52 percent of median income. The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 10 percent of all low- and moderate-income units shall be affordable to households earning no more than 35 percent of median income
 - h. the maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income.
 - i. each affordable development must achieve an affordability average of 55 percent for restricted ownership units; moderate-income ownership units must be available for at least three different prices for each bedroom type, and low-income ownership units must be available for at least two different prices for each bedroom type.
 - j. for both owner-occupied and rental units, the low and moderate income units will utilize the same heating source as market units within an affordable development; and
 - k. low income units will be reserved for households with a gross household income less than or equal to 50 percent of the median income approved by COAH; moderate income units will be reserved for households with a gross household income less than 80 percent of the median income approved by COAH; and
 - l. the regulations outlined in N.J.A.C. 5:80-26.6 and 5:80-26.12 will be applicable for purchased and rental units.
5. For rental units, developers and/or municipal sponsors may:
- a. establish at least one rent for each bedroom type for both moderate- and low-income units; and
 - b. the initial rent, including an allowance for utilities, will be established so as not to exceed 30 percent of the gross monthly income of the appropriate household size as per N.J.A.C. 5:80-26.4(a). The tenant-paid utility allowance will be consistent with the utility allowance published by DCA for its Section 8 program.

Borough of Upper Saddle River Housing Element and Fair Share Plan

6. For sale units:

- a. The initial purchase price for all restricted ownership units except those financed under UHORP or MONI shall be calculated so that the monthly carrying costs of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28 percent of the eligible monthly income of an appropriate household size as determined under N.J.A.C. 5:80-26.4; provided, however, that the price shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3.
- b. The master deeds of affordable developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers. Notwithstanding the foregoing sentence, condominium units subject to a municipal ordinance adopted before October 1, 2001, which provides for condominium or homeowner association fees and/or assessments different from those provided for in this subsection shall have such fees and assessments governed by said ordinance; and
- c. the Borough of Upper Saddle River will follow the general provisions concerning control periods for ownership units as per N.J.A.C. 5:80-26.5; and
- d. eligible capital improvements prior to the expiration of controls on sale units will be consistent with N.J.A.C. 5:80-26.9; and

7. In zoning for inclusionary developments the following is required:

- a. low and moderate-income units will be built in accordance with N.J.A.C. 5:94-4.4:

| Minimum % of Low/Moderate Income Units Completed | % of Market Housing Units Completed |
|--|--|
| 0 | 25 |
| 10 | 25+1 unit |
| 50 | 50 |
| 75 | 75 |
| 100 | 100 |

- b. a design of inclusionary developments that integrates low and moderate-income units with market units is encouraged.

Borough of Upper Saddle River Housing Element and Fair Share Plan

8. To provide assurances that low- and moderate-income units are created with controls on affordability over time and that low- and moderate-income households occupy these units, Upper Saddle River will designate an administrative agency or municipal authority with the responsibility of ensuring this is maintained. The administrative agency or municipal authority will be responsible for those activities detailed in N.J.A.C. 5:80-26.14.
 - a. In addition, the administrative or municipal authority will be responsible for utilizing the verification and certification procedures outlined in N.J.A.C. 5:80-26.7 and 5:80-26.13 in placing households in low and moderate income units; and
 - b. Restricted sales units will remain affordable to low and moderate income households for at least 30 years. The administrative or municipal authority will require all conveyances of newly constructed units to contain the deed restriction and restrictive covenants adopted by COAH and referred to as Appendices A, B, C, D, L, M, N, O, P and Q as found in N.J.A.C. 5:80-26; and
9. Regarding rental units: Newly constructed low and moderate-income rental units will remain affordable to low and moderate income households for at least 30 years. The administrative agency or municipal authority will require an appropriate deed restriction adopted by COAH and referred to as Appendix A.
10. Section 14(b) of the Fair Housing Act N.J.S.A. 52:27D-301 et seq. incorporates the need to eliminate unnecessary cost generating features from Upper Saddle River's land use ordinances. Accordingly, Upper Saddle River will eliminate development standards that are not essential to protect the public welfare and to expedite or fast track municipal approvals/denials on inclusionary development applications. The Borough of Upper Saddle River will adhere to the components of N.J.A.C. 5:93-10.1 - 10.3.

A - 7: Affirmative Marketing Ordinance

Affirmative Marketing Ordinance


The Borough's Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the COAH Housing Region in which the municipality is located and covers the period of deed restriction. The Plan will address the requirements of N.J.A.C. 5:80-26.15. In addition, the Plan prohibits discrimination in the sale, rental, financing or other services related to housing on the basis of race, color, sex, religion, handicap, age, familial status/size or national origin. The Borough of Upper Saddle River is in the housing region consisting of Bergen, Passaic, Hudson, and Sussex Counties. The affirmative marketing program is a continuing program and will meet the following requirements:

1. All newspaper articles, announcements and requests for applications for low and moderate-income units will appear in the following newspapers/publications: The Record.
2. The primary marketing will take the form of at least one press release sent to the above publications and a paid display advertisement in each of the above newspapers. Additional advertising and publicity will be on an "as needed" basis.
3. The advertisement will include a description of the street address of units, direction to housing units, number of bedrooms per unit, range of prices/rents, size of units, income information, and location of applications including business hours, where/how applications may be obtained and application fees, if any.
4. All newspaper articles, announcements and requests for applications for low- and moderate-income housing will appear in publications such as neighborhood oriented weekly newspapers, religious publications and organizational newsletters within the region. Regional radio and/or cable television station(s) will also be used.
5. The following is the location of applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program including specific employment centers within the region: posting of notices in the Borough Hall, and delivery of notices to the municipal clerks of all municipalities in the region.
6. The following is a listing of community contact persons and/or organizations in Upper Saddle River that will administer the program and will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the region: Borough Administrator, local housing authority, County housing office, and houses of worship.

Borough of Upper Saddle River Housing Element and Fair Share Plan

7. Quarterly flyers and applications will be sent to each of the following agencies for publication in their journals and for circulation among their members: Board of Realtors in Bergen, Hudson, Passaic, and Sussex Counties.
8. Applications will be mailed to prospective applicants upon request.
9. Additionally, quarterly informational circulars and applications will be sent to the chief administrative employees of each of the following agencies in the counties within Upper Saddle River's region: welfare or social service board, rental assistance office (local office of DCA), Office on Aging, libraries, and housing agency or authority in each of the counties within Upper Saddle River's housing region.
10. A random selection method will be used to select occupants of low- and moderate-income housing.
11. The Borough's administrative management service shall administer the affirmative marketing program for for-sale units. The Borough's land use administrator will administer the affirmative marketing program for rental units until such time as the Borough appoints an administrative management service for rental units. The land use administrator, or administrative management service, has the responsibility to income qualify low and moderate income households; to place income eligible households in low and moderate income units upon initial occupancy; to provide for the initial occupancy of low and moderate income units with income qualified households; to continue to qualify households for reoccupancy of units as they become vacant during the period of affordability controls; to assist with advertising and outreach to low- and moderate-income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C. 5:80-26.
12. Households who live or work in the COAH-established housing region may be given preference for sales and rental units constructed within that housing region. Applicants living outside the housing region will have an equal opportunity for units after regional applicants have been initially serviced. The Borough of Upper Saddle River intends to comply with N.J.A.C. 5:94-7.3 and N.J.A.C. 5:80-26.15.
13. All developers of low- and moderate-income housing units will be required to assist in the marketing of the affordable units in their respective developments.
14. The marketing program will commence at least 120 days before the issuance of either temporary or permanent certificates of occupancy. The marketing program will continue until all low- and moderate-income housing units are initially occupied and for as long as affordable units are deed restricted and occupancy or re-occupancy of units continue to be necessary.

B - 1: Vacant Land and Environmental Constraints Map



J. H. RIOS ASSOCIATES, INC.
 25 Westwood Avenue
 Westwood, New Jersey 07675
 Tel: (201) 446-1111
 Fax: (201) 446-2794

Project Title
**2008
 Housing Plan**

BOROUGH OF UPPER SAULE RIVER
 BERGEN COUNTY,
 NEW JERSEY

Key Map
 Scale: NOT TO SCALE

Only Legend

| Map | Description | Date | By | For |
|-----|--|----------|-----|--------|
| 1 | Prepared for the work of J. H. Rios Associates, Inc. | 08/29/08 | JHR | Client |

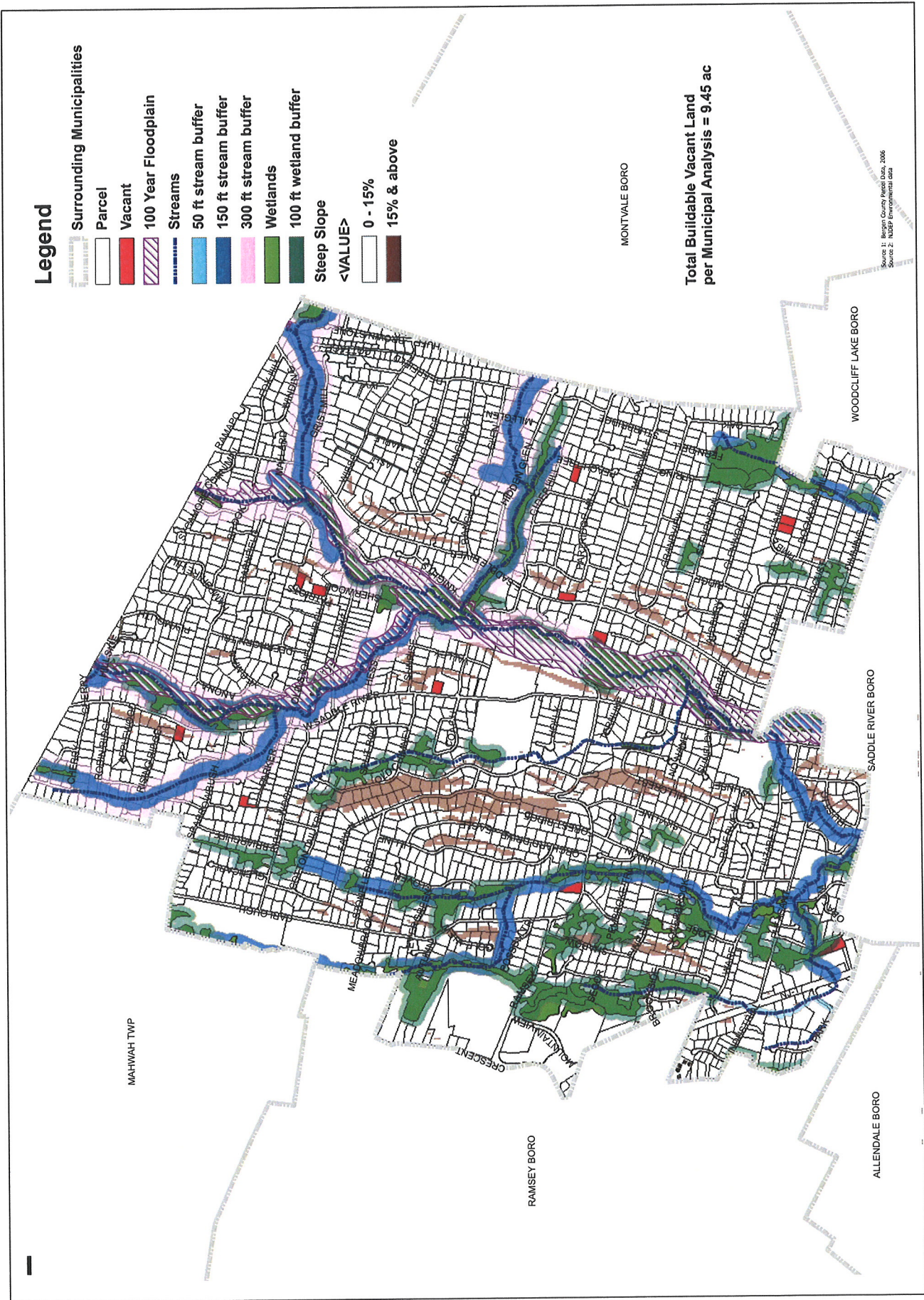
Map Title
**Vacant Parcel Data
 with Environmental Constraints**

Graphic Scale

JOSEPH H. RIOS, ACP
 PROFESSIONAL PLANNER
 NEW JERSEY LIC. NO. 2450

| Project No. | Sheet No. | Date | Scale |
|-------------|-----------|----------|-------|
| 2008-02 | 1 of 1 | 08/29/08 | N/A |

Drawn: JHR
 Checked: JHR
 Project No.: 2008-02-04
 Map No.: 1
 JHR ASSOCIATES, INC. NO. 25 W. WESTWOOD AVE.



B - 2: COAH Vacant Land Calculator Data

Summary of Adjusted Growth Share Projection Based On Land Capacity

(Introduction to Workbook C)

Municipality Name: Upper Saddle River

This workbook contains two separate worksheets to be used for determining the projected Municipal Growth Share Obligation. Worksheet A must be completed by all municipalities. The Worksheet is a tool that allows the user to enter COAH-generated Growth Projections included in Appendix F(2) of the revised Third Round Rules to determine the projected Growth Share Obligation after applying exclusions permitted by N.J.A.C. 5:97-2.4. Municipalities that accept the COAH-generated Growth projections need only use Worksheet A.

[Click Here to complete Worksheet A](#)

Municipalities seeking to request a downward adjustment to the COAH-generated growth projections may do so by providing a detailed analysis of municipal land capacity. After completing this analysis, the growth projections may be lowered if the resulting growth share obligation results in a figure that is at least 10 percent lower than the projected Growth Share Obligation that would result from the COAH-generated growth projections. Actual growth must first be determined using the Actual Growth worksheet. A growth projection adjustment may only apply to any remaining growth.

[Click Here to Enter Actual Growth to Date](#)

[Click Here to Complete the Residential Parcel Inventory and Capacity Analysis](#)

[Click Here to Complete the Non-residential Parcel Inventory and Capacity Analysis](#)

Summary Of Worksheet Comparison

| | COAH Projected Growth Share (From Worksheet A) | Growth Share Based on Municipal Capacity (From Worksheet C) |
|------------------------------|---|--|
| Residential Growth | 235 | 76 |
| Residential Exclusions | 0 | 0 |
| Net Residential Growth | 235 | 76 |
| Residential Growth Share | 47.00 | 15.12 |
| Non-Residential Growth | 309 | 43 |
| Non-Residential Exclusions | 0 | 0 |
| Net Non- Residential Growth | 309 | 43 |
| Non-Residential Growth Share | 19.31 | 2.68 |
| Total Growth Share | 66 | 18 |

The Municipal land capacity analysis results in a reduction to the COAH-generated growth projection. Please file Workbook C and use a Residential Growth Share of 15.12 plus a Non-residential Growth Share of 2.68 for a total Growth Share Obligation of 18 affordable units

Growth Projection Adjustment - Actual Growth

Municipality Name:

Upper Saddle River

Actual Growth 01/01/04 to Present

| | | | | | |
|-----------------------------------|---|--------------------------------|---|---------------|------------|
| Residential COs Issued | 0 | | | | |
| | | Square Feet Added (COs Issued) | Square Feet Lost Demolition Permits Issued) | Jobs/1,000 SF | Total Jobs |
| Non-residential CO's by Use Group | | | | | |
| B | | | | 2.8 | 0.00 |
| M | | | | 1.7 | 0.00 |
| F | | | | 1.2 | 0.00 |
| S | | 54631 | | 1.0 | 54.63 |
| H | | | | 1.6 | 0.00 |
| A1 | | | | 1.6 | 0.00 |
| A2 | | | | 3.2 | 0.00 |
| A3 | | | | 1.6 | 0.00 |
| A4 | | | | 3.4 | 0.00 |
| A5 | | | | 2.6 | 0.00 |
| E | | | | 0.0 | 0.00 |
| I | | | | 2.6 | 0.00 |
| R1 | | | 6917 | 1.7 | -11.76 |
| Total | | 54631 | 6917 | | 43 |

[Return to Growth Projection Adjustment Summary Screen](#)

[Proceed to Inventory of Vacant Residential Land](#)

[Proceed to Inventory of Non-residential Land](#)

Upper Saddle River Growth Projection Adjustment - Residential Parcel Inventory

| Block | Lot | Address | Owner | SDRP Planning Area | Urban Center (Y/N) | Sewer Service Area (Y/N) | HUC 11 NO3 Density* | Total Acreage | Constrained Acreage | Constraint Description | Buildable Acreage | Density (Units/Ac) | Capacity (Units) |
|-------|-------|---------------------|----------------------|--------------------|--------------------|--------------------------|---------------------|---------------|---------------------|--------------------------|-------------------|--------------------|------------------|
| 102 | 5.02 | 551 W USR Rd | Mansoor c/o Technise | 1 | n | y | | 0.88 | 0.41 | | 0.47 | 8.00 | 3.76 |
| 1203 | 17.02 | 26 Metowee Farms Ct | Cheringal, J C | 1 | n | y | | 1.38 | 0.65 | floodplain; flood hazard | 0.73 | 8.00 | 5.86 |
| 1213 | 4 | 316 Fern Dell | Clark A & Z | 1 | n | y | | 5.58 | 5.58 | wetlands; stream buffer | 0.00 | 8.00 | 0.00 |
| 1220 | 3 | 44 Timberlane Rd | Mastrokos, P (et al) | 1 | n | y | | 0.94 | 0.00 | | 0.94 | 8.00 | 7.52 |
| 1220 | 4 | 48 Timberlane Rd | Rasmussen, E | 1 | n | y | | 0.94 | 0 | | 0.94 | 8.00 | 7.52 |
| 1304 | 6.09 | 19 Lenape Tr | Marron & Co LLC | 1 | n | y | | 1.57 | 1.14 | stream buffers | 0.43 | 8.00 | 3.44 |
| 1304 | 6.1 | 15 Lenape Tr | Marron & Co LLC | 1 | n | y | | 1.33 | 1.33 | stream buffers; wetland | 0.00 | 8.00 | 0.00 |
| 204 | 36.01 | 564 W USR Rd | 56 W USR Rd c/o Loft | 1 | n | y | | 0.85 | 0.09 | wetlands; stream buffer | 0.77 | 8.00 | 6.18 |
| 213 | 8.01 | 2 Patriots Ln | Rocket Ventures | 1 | n | y | | 0.863 | 0.21 | | 0.66 | 8.00 | 5.24 |
| 213 | 8.03 | 10 Patriots Ln | Rocket Ventures | 1 | n | y | | 0.865 | | | 0.75 | 8.00 | 6.00 |
| 506 | 1 | 37 Parker Pl | Hunt H A & V L | 1 | n | y | | 0.75 | 0 | | 1.00 | 8.00 | 8.00 |
| 704 | 7.02 | 107 Lake St | Spicer, G (et al) | 1 | n | y | | 1.323 | 0.323 | stream buffers | 0.86 | 8.00 | 6.88 |
| 805 | 1.02 | 430 W USR Rd | Mac Donald, R & H | 1 | n | y | | 0.86 | 0 | | 0.86 | 8.00 | 6.88 |
| 901 | 3 | 382 E USR Rd | JMN Investments LLC | 1 | n | y | | 0.86 | 0 | | 0.86 | 8.00 | 6.88 |
| 906 | 8 | 25 Peach Tree Pl | Voskian M | 1 | n | y | | 1.04 | 0 | | 1.04 | 8.00 | 8.32 |

Subtotal This Page 75.61
Subtotal Page 2 0.00
Subtotal Page 3 0.00
Subtotal Page 4 0.00
Subtotal Add'l Pages 0.00
Grand Total 75.61

[Add More sheets](#)

[Click Here to Return to Workbook C Summary](#)

[Click Here to Proceed to Non-residential Parcel Inventory and Capacity Analysis](#)

* Note: Hyperlink to GIS files requires GIS software. Files must be downloaded first and then opened in a GIS Viewer.

| Block | Lot | Address | Owner | SDRP Planning Area | Urban Center (Y/N) | Sewer Service Area (Y/N) | HUC 11 NO3 Density * | Total Acreage | Constrained Acreage | Constraint Description | Remaining Buildable Acreage | Density (Jobs/Ac) | Capacity (Jobs) |
|-------|-----|---------|-------|--------------------|--------------------|--------------------------|----------------------------|---------------|---------------------|------------------------|-----------------------------|-------------------|-----------------|
|-------|-----|---------|-------|--------------------|--------------------|--------------------------|----------------------------|---------------|---------------------|------------------------|-----------------------------|-------------------|-----------------|

| Block | Lot | Address | Owner | SDRP Planning Area | Urban Center (Y/N) | Sewer Service Area (Y/N) | HUC 11 NO3 Density * | Total Acreage | Constrained Acreage | Constraint Description | Remaining Buildable Acreage | Density (Jobs/Ac) | Capacity (Jobs) |
|-------|-----|---------|-------|--------------------|--------------------|--------------------------|----------------------------|---------------|---------------------|------------------------|-----------------------------|-------------------|-----------------|
|-------|-----|---------|-------|--------------------|--------------------|--------------------------|----------------------------|---------------|---------------------|------------------------|-----------------------------|-------------------|-----------------|

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|--------------------|----------|
| Subtotal This Page | 0.00 |
| Subtotal Page 2 | 0.00 |
| Subtotal Page 3 | 0.00 |
| Subtotal Page 4 | 0.00 |
| Grand Total | 0 |

Add More Sheets

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* **Note:** Hyperlink to GIS files requires GIS software. Files must be downloaded first and then opened in a GIS Viewer.

Worksheet A: Growth Share Determination Using Published Data
(Appendix F(2), *Allocating Growth To Municipalities*)

COAH Growth Projections

Must be used in all submissions

Municipality Name: Upper Saddle River

Enter the COAH generated growth projections from Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. on Line 1 of this worksheet. Use the Tab at the bottom of this page or the links within the page to toggle to the exclusions portion of this worksheet. After entering all relevant exclusions, toggle back to this page to view the growth share obligation that has been calculated based on COAH's growth projections.

| | Residential | Non-Residential |
|---|--|------------------------|
| 1 Enter Growth Projections From Appendix F(2)* | 235 | 309 |
| 2 Subtract the following Residential Exclusions pursuant to 5:97-2.4(a) from "Exclusions" tab | Click Here to enter Prior Round Exclusions | |
| COs for prior round affordable units built or projected to be built post 1/1/04 | | |
| Inclusionary Development | 0 | |
| Supportive/Special Needs Housing | 0 | |
| Accessory Apartments | 0 | |
| Municipally Sponsored or 100% Affordable | 0 | |
| Assisted Living | 0 | |
| Other | 0 | |
| Market Units in Prior Round Inclusionary development built post 1/1/04 | 0 | |
| 3 Subtract the following Non-Residential Exclusions (5:97-2.4(b)) | | |
| Affordable units | 0 | |
| Associated Jobs | | 0 |
| 4 Net Growth Projection | 235 | 309 |
| 5 Projected Growth Share (Conversion to Affordable Units Divide HH by 5 and Jobs by 16) | 47.00 Affordable Units | 19.31 Affordable Units |
| 6 Total Projected Growth Share Obligation | | 66 Affordable Units |

[Click Here to return to Workbook C Summary](#)

* For Residential Growth, See Appendix F(2), Figure A.1, Housing Units by Municipality. For Non-residential Growth, See Appendix F(2), Figure A.2, Employment by Municipality

Affordable and Market-Rate Units Excluded from Growth

Municipality Name: Upper Saddle River

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

| Development Type | Number of COs Issued and/or Projected |
|---|--|
| Supportive/Special Needs Housing | |
| Accessory Apartments | |
| Municipally Sponsored and 100% Affordable | |
| Assisted Living | |
| Other | |
| Total | 0 |

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04

N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if rental units resulted from N.J.A.C. 5:93-5.15(c)5 incentives)

| Development Name | Rentals? (Y/N) | Total Units | Market Units | Affordable Units | Market Units Excluded |
|------------------|-------------------|----------------|-----------------|---------------------|--------------------------|
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| | | 0 | | | 0 |
| Total | | 0 | 0 | 0 | 0 |

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development

N.J.A.C. 5:97-2.4(b)

| Development Name | Affordable Units Provided | Permitted Jobs Exclusion |
|------------------|---------------------------------|--------------------------------|
| | | 0 |
| | | 0 |
| | | 0 |
| | | 0 |
| Total | 0 | 0 |

[When finished, click here to return to Worksheet A](#)

B - 3: COAH Vacant Land Map



Project Title
**2008
Housing Plan**
BOROUGH OF UPPER SADDLE RIVER
BERGEN COUNTY, NEW JERSEY

Key Map

Scale NOT TO SCALE

| | | | | | |
|--|------|-------------|------|-------|--------|
| | Base | Description | Date | Debit | Credit |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Vacant land per COAH
Parcels
Surrounding Municipalities

Surrounding Municipalities

| | | | | | | | |
|---|---------------------|------------------|---------------|-----------------|---------|----------------------|--|
| JOSEPH H. BURGIS AICP PROFESSIONAL PLANNER NEW JERSEY U.C. NO. 2450 | Project No. 2008-03 | Sheet No. 1 of 1 | Date 03/26/08 | Drawn <i>MB</i> | Checked | File Name 2008-07CV4 | Dwg No. |
| | | | | | | | COAH VAC |
| | | | | | | | 2008-07CV0201, 0A, NO TO BE RECALCULATED |

Source 1: Bergen County Parcel Data, 2006
Source 2: COAH Vacant Land Data, 2008

